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# Russian Engagement in Latin America and the Caribbean: Return to the "Strategic Game" in a Complex-Interdependent Post-Cold War World?

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In February 2015, Russian Defense Minister Sergei Shoigu traveled to Latin America to meet with leaders and defense officials in Cuba, Nicaragua, and Venezuela. Although the visit included Russian participation in a Venezuelan military exercise, the focus of the meetings in all three countries was on access to ports and airfields in the region in order to support Russian military operations in the vicinity of the United States.<sup>1</sup> The discussions bore the most fruit in Nicaragua, where Minister Shoigu signed an agreement to facilitate Russian access to the ports of Corinto and Bluefields, as well as strengthening counterdrug cooperation and discussing weapons sales.<sup>2</sup>

Although much attention has been given to Chinese activities in Latin America and the Caribbean during the past decade, it is arguably Russia whose activities in the region most openly challenge U.S. national security. In addition to seeking access to ports and airfields, Russian leaders have also expressed interest in military aircraft patrols in the Caribbean and Gulf of Mexico,<sup>3</sup> reopening the Russian Signals Intelligence collection facility at Lourdes, Cuba,<sup>4</sup> and providing “security” for the transoceanic canal that possibly may be constructed across Nicaragua.

Russian submarines, ships, and other military assets have increasingly operated in the Caribbean in recent years, with the signals intelligence ship *Victor Leonov* putting into port in Havana the day before a team from the U.S. State Department arrived for talks to their Cuban counterparts.

In October 2013, Russian nuclear-capable bombers violated the airspace of Colombia, a U.S. ally.<sup>5</sup> Moreover, Russia's expanding military presence and political engagement with four states surrounding that country (Cuba, Nicaragua, Venezuela, and Ecuador) is seen in Colombia as a security concern.

Russia has also become a primary weapons suppliers to the region, particularly for regimes opposed to the United States. Between 2001 and 2013, Russia sold \$14.5 billion of weapons to the region, of which \$11 billion went to Venezuela, with significant quantities also going to Peru and Brazil.<sup>6</sup> Most recently, Russia entered into negotiations with Argentina to sell that country Su-24 long-range fighter-bombers, representing a potential threat to the defense of the British-owned Falkland Islands (Malvinas).<sup>7</sup>

The current Russian attempt to secure access to facilities in the region that permit its warships and military aircraft to operate close to the United States, its declared interest in reopening the signals intelligence collection facility at Lourdes, and flying long-range patrols into the Gulf of Mexico are arguably strategic moves designed to enhance Russian freedom of action in its own region by forcing a U.S. response, as much as impacting Latin America and the Caribbean per se.

Such moves are, in part, the continuation of a strategic global "game" that the Soviet Union played with the United States during the Cold War, and which its successor, Russia, resumed in 2008 in the context of escalating tensions with the West over the civil war in Georgia. During that crisis, Russia responded to U.S. deployment of warships in the Black Sea in close proximity to its own shores by sending nuclear capable Tu-160 long-range bombers to Venezuela in the Caribbean. Three months later, a four-ship Russian naval flotilla arrived in Venezuela before conducting maneuvers in the Caribbean. Both moves sought to warn the United States that Russia was capable of projecting military forces into the U.S. "back yard," just as the United States had done with Russia. Now, as in 2008, such Russian moves appear designed to present a strategic threat in the Caribbean that distracts the United States from pressuring Russia in its own "neighborhood."<sup>8</sup>

Neither have Russian actions been limited to military and diplomatic realms. When, in August 2014, the United States and Europe imposed sanctions on Russia in response to its actions in the Ukraine, Russia responded by suspending purchases of European agricultural goods and turned to Latin American countries, such as Argentina, Brazil, and Ecuador to make up the difference.<sup>9</sup>

## **The Nature of Russian Engagement.**

Russian decisions regarding where, and how to pursue its re-engagement with Latin America and the Caribbean have been shaped by its current relationships and historical legacy with each of the countries involved. To date, Russia's re-engagement has primarily focused on the anti-U.S. Bolivarian Alliance for the Peoples of Our America (ALBA) regimes, although Peru, Argentina, and Brazil have also been objects of Russian attention.

In Nicaragua and Cuba, Russia has attempted to reactivate political-military networks created during the Cold War. In the former, the rebuilding of the relationship was facilitated by the return to power in 2007 of Sandinista leader and Cold War partner Daniel Ortega, and Ortega's unexpected gesture of comradery in 2008, when his government became the second United Nations member country to recognize the pro-Russian breakaway republics of Abkhazia and South Ossetia during the Georgian civil war.

Russia-Cuba relations were somewhat more difficult to repair, since many Cuban's felt that the island had suffered undue hardship due to Russia's abandonment of the island as it withdrew from the region following the collapse of the Soviet Union in 1991. Nonetheless, the historically close ties between the two countries, in combination with Cuban pragmatism and Russian forgiveness of 90 percent of its \$35 billion in outstanding debt,<sup>10</sup> have helped to improve the relationship.

Most recently, the election of a former hard-line Marxist guerilla leader, Salvador Sanchez Ceren, to the presidency of El Salvador has opened up new doors for Russia to build on the relationship forged during the Cold War between the Soviet Union and the then insurgent group Farabund Marti National Liberation Front (FMLN) to expand its engagement with the current FMLN regime.<sup>11</sup>

In the case of Venezuela, although the current leadership is not connected to Russia by Cold War Marxist ties, the desire of then Venezuelan president Hugo Chavez to escape from dependence on Western nations and institutions positioned Russia as the nation's logical weapons supplier

after 2005 when the United States refused to sell it spare parts for its F-16s. From that time to the present, Russia sold Venezuela \$11 billion in arms, including Kalishnikov rifles and ammunition, helicopters and fighter aircraft, tanks, armored vehicles, missiles and air defense systems, among other goods.<sup>12</sup>

In the case of Peru, Russia has built on the legacy of being the primary arms supplier to the country during the military dictatorship of General Juan Velasco Alvarado (1968-75) and continuing the relationship under President Alberto Fujimori in the 1990s. Significant contemporary Russia-Peru military transactions include service and upgrade contracts for Russian-built Peruvian aircraft and helicopters, plus sales of transport and attack helicopters to improve mobility and firepower in the Peruvian military's campaign against the narcoterrorist group, *Sendero Luminoso* (Shining Path), and other criminal actors in the Apurimac, Ene, and Mantaro river valleys (VRAE-M), and the Upper Huallaga river valley.

In the case of Brazil, Russia has maintained a strategic relationship with the country since 2005, as well as a special tie as a fellow major rising power through the Brazil, Russia, India, China, and South Africa (BRICS) forum, yet Russia's arms sales to and political relations with Brazil have arguably fallen short of its expectations. In 2013, Russia officially lost a bid to sell its Sukhoi Su-35 fighter to Brazil as part of the latter's fighter modernization program, compounding its previous failure to prolong a sale of 12 Mi-35 attack helicopters into a more extended procurement.

In the relationship, Russia has also been limited by Brazil's favoritism toward its own national arms industry, with the Brazilian Defense Ministry, for example, preventing the country's federal police from buying the Russian TiGR light armored vehicle in favor of Brazil's domestic alternative, the Guarani. Nevertheless, Russia and Brazil continue to work together in both military and economic spheres, as evidenced by the likely acquisition by Brazil of the Russian Pantsir-S1 truck-mounted air defense system—a contract that could be worth \$1 billion.<sup>13</sup>

In the case of Argentina, Russia was considered an adversary by the military governments that dominated the country during the Cold War, however, since that time the two nations have maintained a positive and pragmatic relationship. Russia has been a significant purchaser of Argentine agricultural goods since the Cold War, despite opposing ideological positions. Then, as now, Russia's support for Argentina's claim to the Falklands/Malvinas islands has created an opening for building stronger relations. Russia has also provided options for Argentina as it has

sought to distance itself from the West, most recently entering into negotiations to sell Argentina Su-24 fighters which could potentially threaten Great Britain's defense of the Falkland Islands, although the deal currently appears to be on hold.

Russia has also taken a page from the United States in using counternarcotics activities as a vehicle for conducting security engagement with the region. The growing flow of cocaine and other drugs to Europe from countries such as Colombia, Peru, and Bolivia has created a rationale for Russia-Latin America law enforcement cooperation. Yet, such engagement has also become a platform for expanded Russian security cooperation. In both Peru and Nicaragua, Russian and partner nation governments share intelligence and have conducted joint counternarcotics operations. Indeed, in Nicaragua, President Daniel Ortega has gone even further, inviting Russian warships to perform counterdrug patrols off the Caribbean coast of the country in waters which, prior to a 2012 International Court of Justice decision, were claimed by Colombia. Russia is similarly constructing a counternarcotics facility in Managua which, if completed, will serve as a vehicle for Russian agencies, such as the Russian Federal Service for Drugs Control (FSKN), to engage with visiting police and military personnel from across the region.

### **Interaction of Russia and China in Latin America and the Caribbean.**

The character and significance of Russian engagement with the region should not be considered in isolation. There is a complex interdependency and competition between Russian activities in the region and those of the People's Republic of China (PRC). The principal vehicle for sustaining the economic and political solvency of the states that serve as Russia's primary point of entry into the Americas is, ironically, the PRC. Between 2005 and 2013, 75 percent of the \$100 billion that Chinese banks loaned to Latin America and the Caribbean went to the ALBA regimes, and to Argentina. The PRC has become one of the principal investors in, and purchasers of Venezuelan and Ecuadoran oil. It has also become the principal client for Argentine and Brazilian soy, as well as Brazilian and Peruvian mining products, indirectly providing revenues for those countries to buy Russian arms.

Yet, not all aspects of the PRC engagement in Latin America and the Caribbean are consistent with Russia's strategic objectives there. In recent years, China's arms industry has made significant advances in the region, encroaching on Russia's market share in product areas such as mid-range fighter aircraft, transport helicopters, armored personnel carriers, trucks, and offshore patrol vessels. In February 2015, for example, Argentine president Cristina Fernandez signed agreements

to buy up to \$1 billion in Chinese military hardware, including possible co-production of the JC-1 fighter, potentially competing with the previously-mentioned Russian sale to Argentina of the Su-24.

Neither are Russian activities in Latin America always compatible with PRC strategic objectives in the region. For the PRC, the previously mentioned Russian pursuit of access to facilities to service its military aircraft and warships in anti-U.S. countries in the Caribbean basin, in combination with proposed aircraft patrols and other aggressive actions, risks leading the United States to view both China and Russia in more adversarial terms, drawing it into a confrontation with the United States which could damage fragile PRC economic development.

### **Limits of Russian Engagement.**

For the United States, the challenge presented by Russia in Latin America and the Caribbean is of a more limited scale and less enduring than that of the PRC, although in the short term, it may pose greater risks. By comparison to China, the economic dimension of Russia's engagement with the region is modest, with only \$18.4 billion of Russian bilateral trade with Latin America and the Caribbean in 2013, compared to \$288.9 billion between the PRC and the region during the same period.<sup>14</sup> That commerce, moreover, involves only a limited number of industries in which Russia is competitive, including arms sales, nuclear energy, gas and oil, mining, and construction (particularly hydroelectric projects). By contrast to the PRC, which, as noted earlier, is a significant trade partner for almost every Latin American and Caribbean country, Russian engagement in Latin America is concentrated on a small number of countries, with six states accounting for 75 percent of Russian trade with the region in 2013: Brazil, Venezuela, Argentina, Ecuador, Panama, and Mexico.<sup>15</sup>

In addition, Russia's ability to launch major new activities in the region, or sustain existing ones, continues to be limited by international sanctions against the country, complicated by sustained low international prices for gas and oil, whose export is a key driver of the Russian economy and a source of revenue for the Russian state. For the foreseeable future, Russia will not have the capital to loan money to, and invest in, the region on the scale that China, the United States, and others do. Neither will the size of the Russian market attract Latin American businessmen in the way that the Chinese economy does. Even those states which ally with Russia

for ideological purposes will find the relationship limited by its lack of resources to provide arms and developmental assistance, or to project significant military force into the region for a sustained period.

## **Recommendations.**

Although the strategic challenge that Russia poses to the United States in Latin America is limited in breadth and persistence, Russia is a nuclear power with a capability to inflict damage on the United States that cannot be ignored. The United States must communicate in unequivocal terms that it regards Russian military activities in the region as potentially hostile acts. The United States must also indicate that it will consider Latin American and Caribbean regimes that support Russian activities, by refueling and resupplying Russian military assets so that they can operate better against the United States, as complicit in such expressions of hostility.

Russia's expanding presence also highlights the need for the United States to expand its security cooperation with the region, including drug interdiction, intelligence and surveillance support, and in-region training. Such support, including a greater military component in the "Alliance for Prosperity" initiative for Central America,<sup>16</sup> would help the United States to remain the partner of choice for counternarcotics collaboration, while reassuring U.S. allies, like Colombia, of the U.S. commitment to their security against actions by Russia-backed neighbors, the collateral effects of criminal and terrorist groups operating in those countries, or the chaos associated with the potential violent collapse of Russian-armed Venezuela.

At the same time, the United States should work quietly with partner nations such as Brazil to counsel Russian restraint in expanding its military activities in the region. Doing so would serve U.S. interests, since the combination of an expanded Russian footprint, and the possibility of an expanded U.S. presence in response, would dilute their own influence in the region.

The United States may also be able to involve the PRC in persuading Russia to lower its military profile in the region, since, as noted earlier, Russian provocation could increase the U.S. focus on, and military presence in, the region in a manner prejudicial to PRC activities there. Finally, the United States should expand coordination between Europe-facing and Latin America-facing organizations, including U.S. European Command, U.S. Northern Command, and U.S. Southern Command, to provide greater visibility regarding how the evolving conflict in the Ukraine might stimulate future Russian actions in the Western Hemisphere.

Although dangerous, Russia's high-profile actions in Latin America are also useful, since they remind U.S. policymakers and defense planners that, in today's complex interdependent world, future conflicts with Russia or other geopolitical rivals will not likely play out comfortably on the other side of the planet. Determined adversaries will seek to engage the United States globally, including in Latin America and the Caribbean, seeking to exploit vulnerabilities that arise from U.S. geographic proximity to, and economic and financial interdependence with, the region. Now is the time for the United States to think, and coordinate with its partners in the hemisphere, regarding how best to meet that challenge.

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